REMARKS

The Examiner objected to the length of the abstract in the present application. By this amendment, the abstract has been amended to fit within the word limit set forth in 37 CFR 1.72. The Applicants respectfully submit that the amended abstract is directed to the technical disclosure in the specification and satisfies 37 CFR 1.72 and MPEP 608.01(b).

The present application includes 18 claims, of which none has been allowed. The Examiner has rejected claims 16-18. The Examiner has noted that limitations of claims 1 and 16 are not taught or suggested in the prior art. By this amendment, claims 16 and 17 have been amended. New claims 19-20 have been added. Applicants submit that the pending claims define allowable subject matter.

Claims 16-18 were rejected under 35 U.S.C. 101 as being directed to nonstatutory subject matter. Claims 16 and 17 have been rewritten, and the Applicants respectfully assert that claims 16 and 17 are directed to statutory subject matter directed to a process or method for producing convex futures contract documentation using a clearing computer system. The Applicants respectfully assert that claim 18 is also directed to statutory subject matter, as it depends from any one of claims 11-15, which are directed to statutory subject matter.

Claims 19-20 have been added. Claim 19 is directed to a futures contract trading and clearing apparatus. The apparatus includes an input device for receiving user input information and a database for storing the user input information. The user input information includes a base tick value and a trade price. The apparatus also includes a processor including programmable circuitry for calculating a settlement amount based on the user input information, a trigger for computer-assisted transfer of funds based on the settlement amount, and an output for outputting at least one of the user input information and the settlement amount. Claim 20 depends from

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claim 19. Claim 20 recites additional detail regarding calculation of the settlement amount. The Applicants respectfully submit that claims 19-20 are directed to statutory subject matter and are allowable.

CONCLUSION

For the forgoing reasons, Applicants respectfully submit that the pending claims define allowable subject matter. Should anything remain in order to place the present application in condition for allowance, the Examiner is kindly invited to contact the undersigned at the telephone number listed below.

Please charge any additional fees or credit overpayment to the Deposit Account of McAndrews, Held & Malloy, Ltd., Account No. 13-0017.

Respectfully submitted,

Date: September 18, 2002

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VERSION WITH MARKINGS TO SHOW CHANGES MADE

IN THE ABSTRACT

Please amend the abstract as follows:

(Amended)   Certain embodiments include a method and apparatus for trading and clearing futures contracts using a clearing computer system. The apparatus includes providing a clearing computer system with an input device for receiving user input information including a base tick value and a trade price. The apparatus also includes a database for storing the user input information. The apparatus further includes a processor with programmable circuitry for calculating a settlement amount based on the user input information. Certain embodiments of the apparatus include a trigger for computer-assisted transfer of funds based on the settlement amount and an output for outputting at least one of the user input information and the settlement amount.

[A machine, method for making the machine, method for using the machine, article of manufacture, and products produced by the method using a digital electrical computer in convex futures contract clearing, the method including the steps of: providing a clearing computer system including a digital electrical computer having a processor electrically connected to an input device for receiving input information and producing input electrical signals representing the input information, to an output device for producing a display corresponding to output electrical signals, and to a printer device for printing corresponding to the output electrical signals; and programming the processor to form circuitry in the processor to control the computer system in signal processing responsive to the input electrical signals to produce other electrical signals including the output electrical signals, in data processing substeps of: receiving, as a portion of the input information, a base tick value for a convex futures contract, an expiration time for the convex futures contract, identification of a buyer of the convex futures contract, identification of a seller of the convex futures contract, a trade price for the convex futures contract, and a settlement price for the convex futures contract; computing a discount factor from the settlement price; determining an actual tick value by applying the discount factor to the base tick value; specifying an amount of money a clearing entity must transfer between the buyer and the seller for clearing the convex futures contract by applying the actual tick value to a difference between the trade price data and the settlement price; triggering a computer-assisted

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transfer of the amount of money; and generating, at the printing device, documentation including the computed amount of money transferred, in clearing the trade of the convex futures contract.]

IN THE CLAIMS

Please amend the claims as follows:

16.   (Amended)   A method for producing convex [Convex] futures contract documentation [made by the process including] using a clearing computer system, said method including:

providing a clearing computer system including a digital electrical computer having a processor electrically connected to an input device for receiving input information and producing input electrical signals representing the input information, [to an output device for producing a display corresponding to output electrical signals, and] the processor further electrically connected to a [printer] printing device for printing [corresponding to the output electrical signals] output electrical signals from the clearing computer system; and

programming the processor [to form circuitry in the processor] to control the clearing computer system in signal processing responsive to the input electrical signals to produce other electrical signals including the output electrical signals, in data processing substeps of:

receiving, as a portion of the input information, a base tick value for a convex futures contract, an expiration time for the convex futures contract, identification of a buyer of the convex futures contract, identification of a seller of the convex futures contract, a trade price for the convex futures contract, and a settlement price for the convex futures contract;

computing a discount factor from the settlement price using the clearing computer system;

determining an actual tick value by applying the discount factor to the base tick value using the clearing computer system;

specifying an amount of money for transfer by a clearing entity [must transfer] between the buyer and the seller for clearing the convex futures contract by applying the actual tick value to a difference between the trade price data and the settlement price;

triggering a [computer-assisted] transfer of the amount of money using the clearing computer system; and

generating, at the printing device, documentation including the [computed] amount of money specified by the clearing computer system to be transferred between the buyer and the seller[,] in clearing [the trade of] the convex futures contract.

17.   (Amended)   The method [documentation] of claim 16, wherein the substep of computing a discount factor includes applying a bootstrap method to the settlement price.